

External Evaluation

Casio obtains AAA rating for its environmental activities from the SMBC private placement bond program

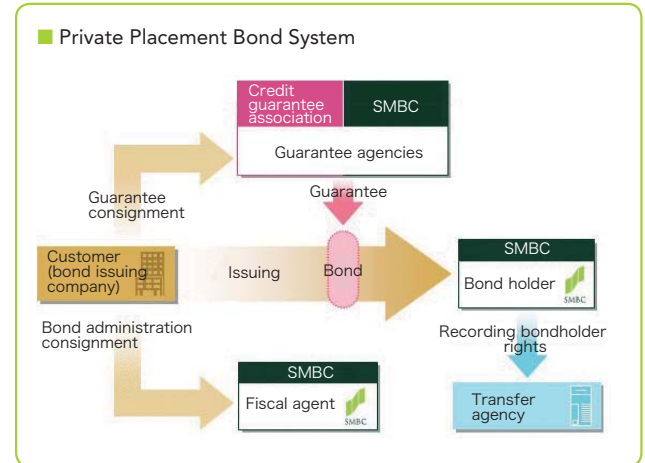
In October 2008, the Sumitomo Mitsui Banking Corporation began offering SMBC Environmental Assessment Loans, followed by SMBC Environmental Assessment Private Placement Bonds in June 2009. Currently, about 30 companies have raised approximately 100 billion yen from such loans and bonds.

Under this program, the Japan Research Institute interviews the heads of environmental management departments at applicant companies concerning the details of their responses to a survey conducted by the institute. After making a comprehensive assessment based on this, SMBC then assigns environmental ratings to the companies and preferential interest rates are made available to those with high ratings.

In 2010, Casio applied to participate in this private placement bond program. Based on the assessment results, the company's environmental corporate management was deemed to be outstanding, and Casio was given the highest rating, AAA. The process also helped Casio to identify issues with its environmental communication, and made it clear that more specific work needs to be done to reduce CO₂ emissions at sites outside Japan, performance of waste reduction measures needs

to be improved, and more attention needs to be given to biodiversity preservation. This feedback will be used to make improvements to enable Casio to achieve an even higher level of environmental management.

* A private placement bond ("Shibosai bond") is a bond sold directly to a few investors. It differs from a publicly issued bond, which is widely sold to an unspecified number of investors through securities companies.



Environment Data

Material Balance

The material balance represents an environmental assessment of Casio's energy-saving and resource-saving manufacturing practices. Casio is always striving to minimize its energy and resource inputs as well as its emissions and outputs.

What is a material balance?

A material balance provides an overall picture of a company's environmental impact. It shows the amount of energy and resources a company uses in its business activities (inputs into business activities), the amount of

environmentally harmful substances (including waste) it emits, and the amount of output it produces and sells (outputs from its business activities).

Fiscal 2011 performance

At the beginning of fiscal 2011, the TFT-LCD business (Kochi Casio and the Hachioiji R&D Center electronic component division) and the cellular phone business were transferred and removed from the consolidation scope of the Casio Group. Accordingly, Casio reduced the boundary of its environmental management in fiscal 2011, and there was a dramatic reduction in some environmental figures as a result.

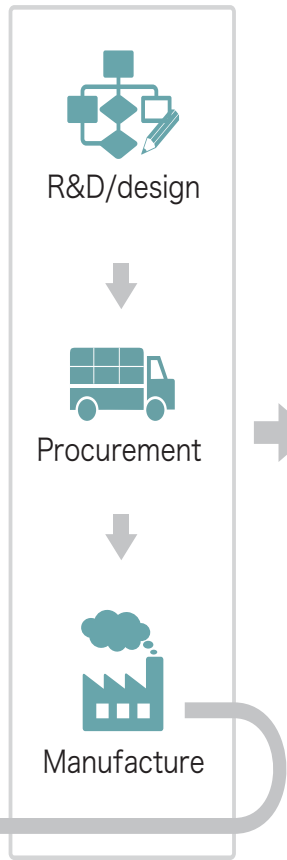
Casio has been working to save energy with its production equipment and is striving to improve production processes.

The group is now taking further energy-saving measures in order to cope with the power supply shortages following the Great East Japan Earthquake that struck in March 2011.

Material balance for business sites Material balance for products

Inputs

Energy	26,291.4	kl crude oil equivalent
Electricity	90,204.0	million kWh
Fuel	3,448.6	kl crude oil equivalent
Water resources	1,208.8	million m ³
SF ₆ (sulfur hexafluoride)	0.0	tons
Greenhouse gases other than SF ₆	0.4	tons
VOC	104.4	tons
Paper usage	143.4	tons
PRTR substance	19.3	tons
Parts and materials ^{*2}	26,131	tons
Recycled material	329	tons
Manuals	4,120	tons
Recycled material	56	tons
Packaging material	13,014	tons
Recycled material	10,597	tons
Rainwater	4,900	m ³
Recycled industrial water	146,700	m ³
Reused plastics	8.5	tons



Outputs

Greenhouse gases	
CO ₂ emissions	53,719.5 tons-CO ₂
SF ₆ emissions	0.0 tons-CO ₂ equivalent
Other greenhouse gas emissions	497.5 tons-CO ₂ equivalent
Air pollutants ^{*1}	
NO _x	3.2 tons
SO _x	1.2 tons
Dust	0.7 tons
VOC emissions to atmosphere	21.4 tons
Wastewater	1,126.8 million m ³
BOD	22.8 tons
PRTR substance Releases / transfers	18.0 tons
Releases	4.7 tons
Transfers	13.2 tons
Waste generated, etc.	3,676.9 tons
Waste	1,798.6 tons
Valuables	1,878.3 tons
Landfill disposal	257.7 tons
Recycled waste ^{*3}	3,302.4 tons



Recovered

System equipment from corporate customers	34.8	tons
Household PCs	0.13	tons
Label printer tape cartridges	4.0	tons
Drums and toner cartridges	710.3	tons

Recycled

System equipment from corporate customers	29.5	tons
Household PCs	0.10	tons
Label printer tape cartridges	4.0	tons
Drums and toner cartridges	710.3	tons

^{*1} Ozone depleting substances have been fully phased out.
^{*2} Parts and materials include consumables, such as toner cartridges.
^{*3} Recycled waste includes thermally recycled material.
^{*4} Product distribution is consigned to transportation companies.

Responsibilities to Stakeholders

Environmental Initiatives

Philosophy and Management

Environmental Performance

This section presents environmental impact data related to business activities.

CO₂

Fiscal 2011 marked the third year of the target period (five years from fiscal 2009 to fiscal 2013) for CO₂ emissions from sites in Japan. The performance figures using comparisons with the base year are average values for the initial year (fiscal 2009) through the third year (fiscal 2011).

The target for production sites in Japan was a 35% reduction in CO₂ emissions per unit of actual production compared to fiscal 1991. In fiscal 2011, the sites' CO₂ emissions were approximately 41% lower than in fiscal 1991, which also represented a roughly 12% decrease from the previous fiscal year. The main reason for this decline from the previous year was the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

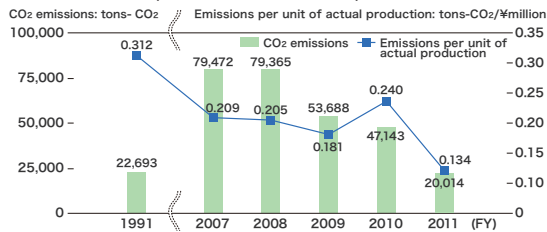
The target for office sites in Japan was a 9% reduction in the total amount of CO₂ emissions compared to fiscal 1991. In fiscal 2011, emissions were about 26% lower than in fiscal 1991, meeting the target again this year. This was also an approximately 11% reduction from the previous fiscal year.

Fiscal 2013 is the target year for all sites outside Japan. The target for production sites outside Japan was a 30% reduction in CO₂ emissions per unit of production compared to fiscal 2005. Fiscal 2011 emissions for these sites were about 12% lower than in fiscal 2005, an approximately 22% reduction from the previous year.

The target for office sites outside Japan was a 3% reduction in the total amount of CO₂ emissions compared to fiscal 2005. In fiscal 2011, emissions were approximately 47% higher than in fiscal 2005, which also represented an approximately 2% increase over the previous fiscal year.

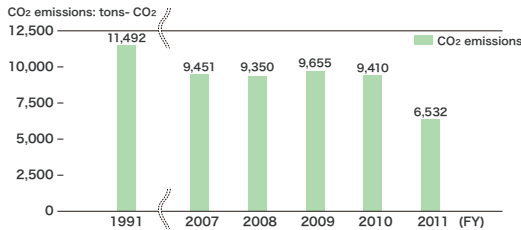
Casio will continue to strive to improve the energy efficiency of its production equipment and to streamline production processes at all of its production sites in and outside Japan. Casio will also work to reduce CO₂ emissions by implementing energy-saving measures for its lighting and heating/cooling equipment at offices in and outside Japan.

CO₂ emissions (production sites in Japan)



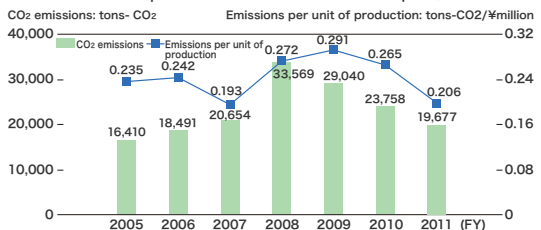
* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at production sites in Japan.

CO₂ emissions (office sites in Japan)



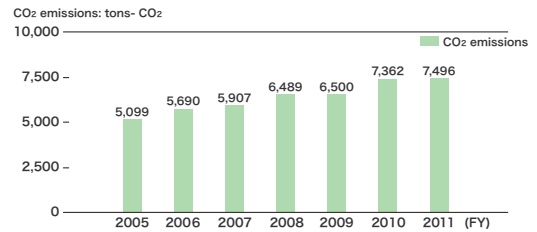
* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at office sites in Japan.

CO₂ emissions (production sites outside Japan)



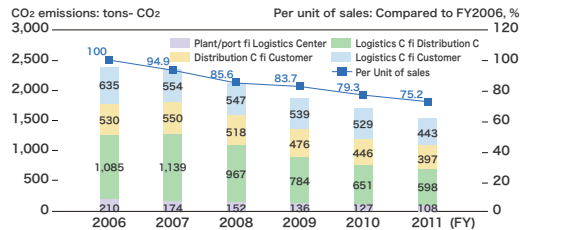
* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at production sites outside Japan.

CO₂ emissions (office sites outside Japan)

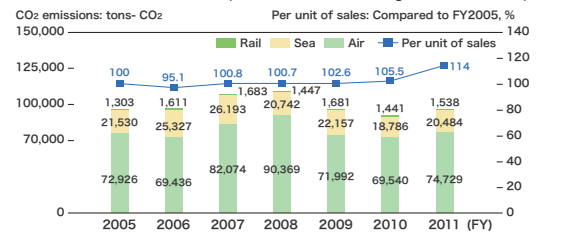


* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at office sites outside Japan.

CO₂ emissions and emissions per unit of sales for logistics in Japan



CO₂ emissions and emissions per unit of sales for logistics outside Japan



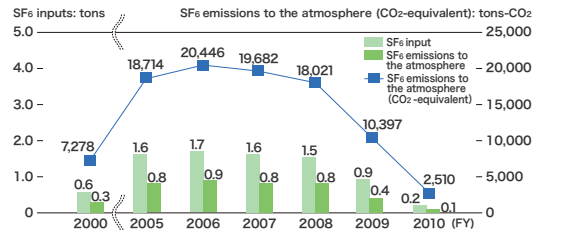
SF₆ gas

Casio has set a target of reducing its emissions of greenhouse gases other than CO₂ to less than year 2000 levels by 2010.*

The fiscal 2011 results for SF₆ emissions were approximately 59% lower than in 2000, and this represented an approximately 74% reduction compared to the previous year. In April 2010, the TFT-LCD business (Kochi Casio and the electronic component division of the Hachioji R&D Center) was transferred, and removed from the consolidation scope of the Casio Group. This was the main reason for the emissions reduction.

In the future, Casio will put effort into reducing greenhouse gases including those contained in dust blowers, spot freezing and sprays used mainly at service sites.

SF₆ gas usage and emissions to atmosphere (Japan production sites)



* Years shown in this graph are calendar years, to match industry action targets.

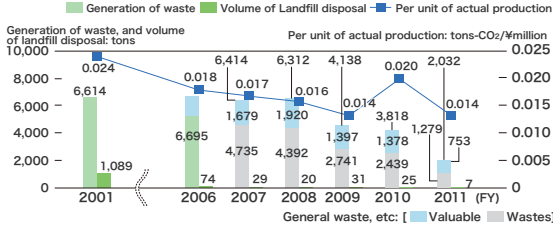
Waste

Casio evaluates its waste reduction (waste and valuables) using fiscal 2013 as the target year.

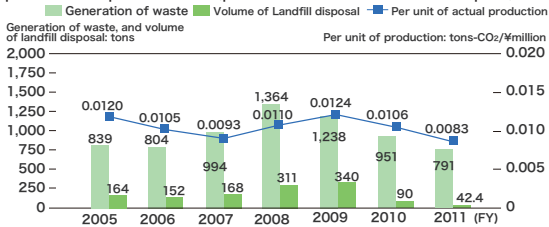
The target for reducing waste produced from sites in Japan was a 50% reduction in waste per unit of actual production compared to fiscal 2001. In fiscal 2011, waste was reduced by about 43% compared to fiscal 2001, which also represented an approximately 30% reduction from the previous year. Although the amount of waste produced compared to the previous fiscal year fell by about 15%, this was due to the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

The target for reducing waste from production sites outside Japan was a 30% reduction per unit of production compared to fiscal 2005. In fiscal 2011, emissions were reduced by about 31% compared to fiscal 2004, for an approximately 22% reduction from the previous year. Further waste reduction measures for production sites outside Japan are being considered.

Generation of waste, volume of landfill disposal, and waste per unit of actual production (all sites in Japan)



Generation of waste, volume of landfill disposal, and waste per unit of production (production sites outside Japan)



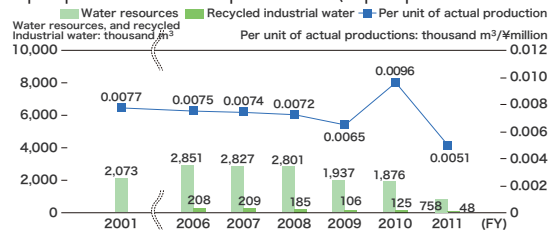
Water resources

Water resource input is evaluated using fiscal 2013 as the target year.

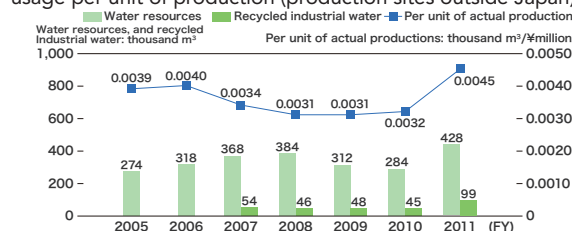
The target for production sites in Japan was a 25% reduction in water resource input per unit of actual production compared to fiscal 2001. In fiscal 2011, water input per unit of actual production was about 42% lower than in fiscal 2001, which also represented a reduction of about 49% from the previous fiscal year. Total water resource input was down by about 21% from the previous year. This was due to the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

The target for production sites outside Japan was a 15% reduction in water resource input per unit of production compared to fiscal 2005. In fiscal 2011, the figure was 15% higher than in fiscal 2005, representing an approximately 40% increase compared to the previous year. This increase was due to the rise in TFT production output at the Casio Computer (Hong Kong) Ltd. Casio will continue to strive to reduce water usage.

Usage of water resources and recycled industrial water, and input per unit of actual production (Japan production sites)



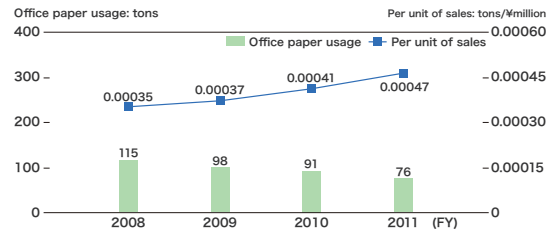
Usage of water resources and recycled industrial water, and usage per unit of production (production sites outside Japan)



Paper

The reduction target for the usage of office paper at sites in Japan, set in fiscal 2010, was a 10% reduction compared to fiscal 2008 by fiscal 2013, per unit of sales. The result for fiscal 2011 was about 33% higher than in fiscal 2008. This increase was due to a drop in sales, as the total volume of office paper used fell from 115 tons in 2007 to 75.5 tons in 2010. Along with the increased promotion of green IT, Casio will reinforce its efforts to reduce paper usage.

Office paper usage (all sites in Japan)

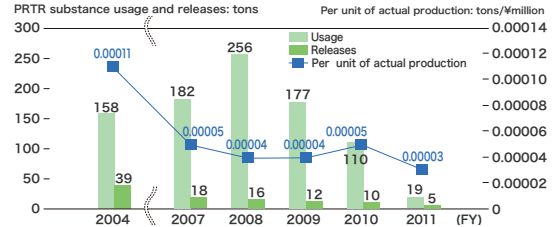


PRTR

Reducing PRTR substances

The target for reduction of emissions of substances specified by Japan's PRTR Act was a 40% reduction per unit of actual production compared to fiscal 2004, by fiscal 2013. In fiscal 2011, Casio met the target for another consecutive year, with approximately 71% lower emissions than in fiscal 2004, which was a reduction of 36% over the previous year. Casio will continue striving to further reduce the use of these chemicals.

PRTR substance usage, releases, and releases per unit of actual production (Japan production sites)

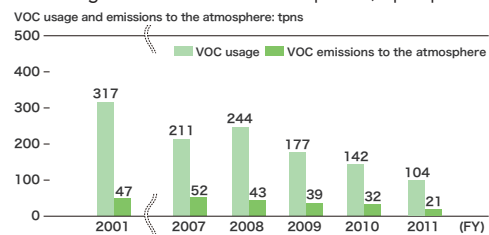


VOCs, NOx, SOx, and dust

Reducing VOCs

Fiscal 2011 is the target fiscal year for reducing atmospheric emissions of volatile organic compounds (VOCs) from production sites in Japan. The target was a reduction of 30% compared to fiscal 2001. In fiscal 2011, Casio's emissions of VOCs were about 55% lower than in fiscal 2001, achieving the target. This also represented a reduction of approximately 34% from the previous fiscal year. Casio will continue to pursue VOC replacements.

VOC usage and emissions to atmosphere (Japan production sites)

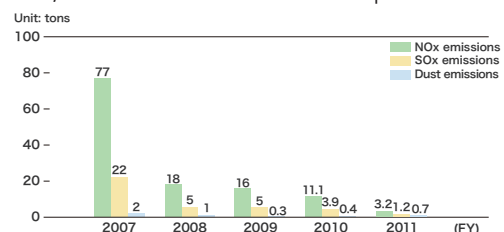


Reducing NOx, SOx and Dust

Casio's atmospheric emissions of nitrogen oxides (NOx), sulfur oxides (SOx) and dust in the peak year of fiscal 2006 were 138 tons, 37 tons, and 2 tons, respectively. Emissions in fiscal 2011 were 1.9 tons, 1.1 tons, and 0.2 tons, respectively. These dramatic reductions are attributed to the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

By adjusting settings and practicing indoor temperature management, Casio also intends to reduce emissions of atmospheric pollution generated by air conditioning equipment such as hot and chilled water generators).

Nox, SOx and dust emissions to atmosphere



Environmental Accounting

This section shows a breakdown of the costs for environmental conservation activities and the benefits of environmental conservation.

Overview of fiscal 2011 performance

Casio's capital investments in environmental conservation, including the introduction of equipment to prevent water pollution, and energy-saving equipment, were valued at ¥137 million in fiscal 2011.

The expenses of Casio's environmental conservation activities, including recycling of products, parts and supplies such as toner cartridges, as well as the costs of maintenance of energy-saving and wastewater processing facilities, along with costs for processing and reducing waste, were ¥1,745 million.

That investment resulted in ¥1,498 million in business profits including a real benefit of ¥1,304 million from strengthening recycling activities and a cost savings of ¥194 million through energy-saving activities and the

reduction of resources used in product packaging. The fiscal year's total economic benefits were ¥1,854 million. This includes the reduction of CO₂ emissions from business activities, and the reduction of power consumption during product use by customers. It also includes estimated economic benefit such as the environmental impact reduction achieved by paperless products including electronic dictionaries and data projectors.

Although the environmental expenses and economic benefits were lower than in the previous fiscal year due to the transfer of the TFT-LCD and cellular phone businesses and their removal from the scope of consolidation, the environmental profitability rate improved and economic benefits exceeded environmental expenses.

Environmental conservation costs (April 2010 - March 2011)

Category by business activity		Main initiatives	Environmental investment (¥ million)	Environmental expenses* (¥ million)
Business area costs (costs arising in the main areas of business activity (manufacturing, processing, sales, distribution etc.))			137	291
	(1) Pollution prevention cost	Upgrading and maintenance of wastewater and exhaust gas treatment facilities	60	65
	(2) Global environmental conservation cost	Introducing and maintenance of energy-saving systems	77	128
	(3) Resource circulation cost	Reducing and recycling of industrial and general waste	-	99
Upstream/downstream cost*2		Collection and recycling of products, parts, supplies	-	1,103
Administration cost		Secretariat operation costs, environmental information disclosure	-	293
R&D cost		R&D for reduction of environmental impact	-	44
Social activity cost		Participation in, donations to, and support for environmental conservation organizations	-	15
Totals			137	1,745

*1 Depreciation costs are included in the expenses.

*2 Costs arising before and after the processes of the main business activities.

Economic benefits of environmental conservation (April 2010 - March 2011)

Economic benefit		Type of benefit	Amount (¥ million)
Actual benefit (benefit that contributes to profits as a result of the promotion of environmental conservation measures)			1,498
	Profits	Business revenue from recycling of used products, etc.	1,304
	Profits	Cost reduction through energy saving activities	13
		Cost reduction due to resource-saving activities such as the creation of smaller packaging, and reduction of waste disposal costs, etc.	181
Estimated benefit*		Reduction of CO ₂ emitted from business activities Reduction of power consumption during product use by customers, etc.	356
Totals			1,854

* The estimated benefit is calculated as the CO₂ reduction amount from business activities plus the reduction from power savings during product use by customers. It also includes the environmental benefit of paperless products such as electronic dictionaries and data projectors, as well as cost reductions achieved by a modal shift from air to sea transport, and the resource saving benefit from water recycling.

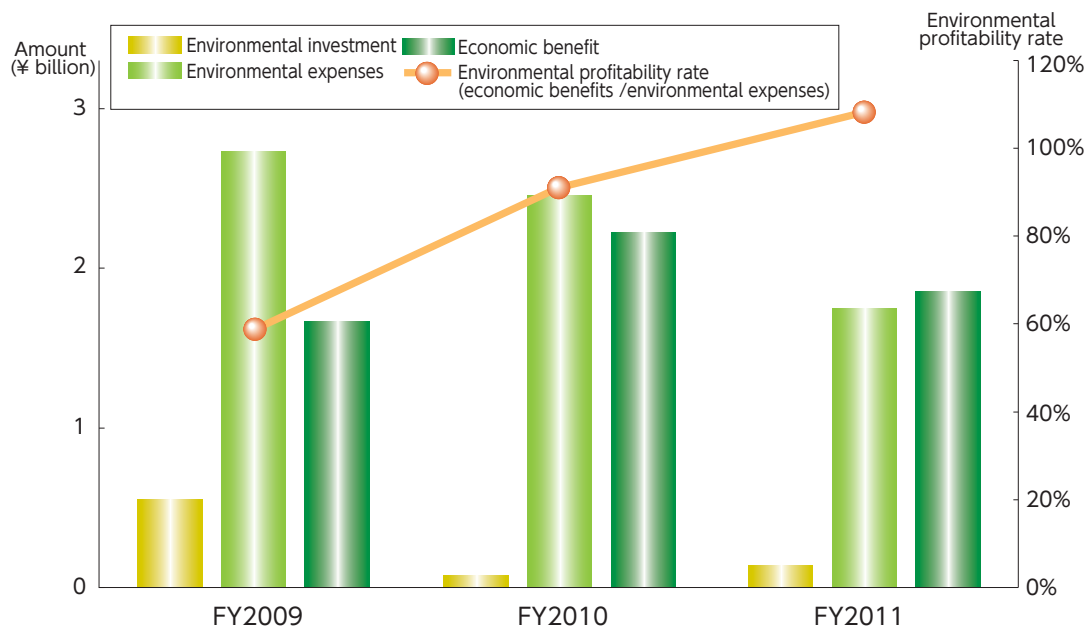
The calculation method for power savings during product use by customers was revised. It is now calculated as the electricity saving effect when comparing a product sold in this fiscal year to one sold in the previous fiscal year.

The following statistical sources are used to perform these calculations:

CO₂ unit prices are the average values for fiscal 2011 (¥1,431.3/ton) based on the Nikkei-JBIC Carbon Quotation Index.

Electrical power unit prices are based on the fiscal 2009 results published by the Agency for Natural Resources and Energy of the Ministry of Economy, Trade and Industry (¥16.02/kWh).

■ Trends in environmental investments, environmental expenses, and economic benefits (fiscal 2009 - fiscal 2011)



* The above graph revises past figures with regard to the estimated effects, based on the standards adopted this fiscal year.

■ Environmental conservation effect

Types of environmental conservation effects	Environmental performance indicator	Unit	FY2010	FY2011	Environmental conservation effect
Environmental conservation effect relating to resources used in business activities	Water resources	Thousand m ³	2,183	1,209	974
Environmental conservation effect relating to environment impact and waste generated by business activities	CO ₂ emissions	Tons-CO ₂	87,674	53,720	33,955
	Specially designated chemical (PRTR) emissions	Tons	10	5	5
	Waste emissions	Tons	5,584	3,677	1,907
	BOD	Tons	29	23	6
	NO _x emissions	Tons	11.1	3.2	7.9
	SO _x emissions	Tons	3.9	1.2	2.7

* The large decreases compared to the previous fiscal year were due to the transfer of the TFT-LCD and cellular phone businesses and their removal from the scope of consolidation.

Scope of data compilation for environmental accounting: Casio Computer Co., Ltd., and consolidated subsidiaries in and outside Japan.
Reference guideline: Environmental Accounting Guidelines 2005, Ministry of the Environment, Japan